LEASE AGREEMENT <u>BETWEEN</u> <u>SENECA CENTER II, LLC</u>

AND MONTGOMERY COUNTY, MARYLAND

DATE: 11-3-08

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EXHIBIT A & A1	Leased Premises
B& B1	Construction Space Plans
C & C1	Work Letter Cost Estimate
D	Rule & Regulations
E	Form of Estoppel Certificate
F	Form of Subordination, Non-Disturbance
	and Attornment Agreement

LEASE

THIS LEASE dated this ___ day of _____, 2008, by and between SENECA CENTER II, LLC its successors and assigns (the "Landlord") and MONTGOMERY COUNTY, MARYLAND, a political subdivision of the State of Maryland (the "County") (the County and the Landlord together the "Parties").

1. PREMISES:

The Landlord leases to the County and the County leases from the Landlord the Leased Premises described as approximately 54,190 square feet of warehouse space located at 18753 North Frederick Avenue, Gaithersburg, Maryland consisting of Bays G, H, I, J, K, L, M, (depicted on Exhibits "A" attached and incorporated as if fully set forth and also Bays R, S, T, U, V, X, Y & Z Exhibit A-1, attached and incorporated as if fully set forth in this Lease. The Leased Premises include the non-exclusive right to use parking and other common areas as set forth in this Lease. For the purposes of this Lease, "Property" or "Premises" is defined as the entire building and land in which the Leased Premises are located and "Leased Premises" is defined as the space(s) located in or on the Property which are being leased pursuant to this Lease.

2. **LEASE TERM:**

- Term: The term of this Lease is for Ten (10) lease years, commencing Α. on earlier to occur of (i) the date that Landlord substantially completes the Tenant improvements to be constructed by Landlord pursuant to the provisions of the Tenant Improvement Work Letter attached hereto as Exhibit "C and C1", or (ii) the date that is one hundred eighty days (180) following the date of the County's final approval of the Construction Permit Drawings for the Tenant Improvements, except as otherwise provided in Section 3.C. below, unless such date is extended as provided in Section 3, below, (the "Commencement Date"), and shall terminate Ten (10) Years later (the "Initial Lease Term"). "Substantially complete" is defined to mean the Tenant Improvements are complete, except for punch list items, and a Use and Occupancy Permit has been obtained for the County. Landlord and the County shall execute a Confirmation of Commencement Date in accordance with the provisions of this Section. The term "Lease Year" as used herein shall mean a period of twelve (12) consecutive full calendar months. The first Lease Year shall commence on the Commencement Date. Each succeeding Lease Year shall commence upon the anniversary date of the first Lease Year.
- B. The County's Option to Extend Term: In accordance with this Lease, the County shall have the option to extend this Lease under the same terms and conditions for an additional Five (5) year period (the "Option Term"). The Base Rent payable in the first Lease Year of the Option Term will be equal to the Base Rent payable in the last Lease Year of the Initial Lease Term, increased by Three (3%) percent. Base Rent will increase annually each Lease Year of the Option Term by Three (3%).

C. Recording the Lease or a Memorandum of Lease: The County may, at its sole cost and expense, including any transfer and recordation taxes incurred in connection therewith, record the Lease regardless of the Term. If recorded, the Parties agree that the end of the County's tenancy, whenever that occurs, the Parties will execute and acknowledge a mutually agreeable instrument in recordable form confirming the expiration or termination of this Lease (a "Release") and to cause a Release to be recorded promptly after the expiration or earlier termination of this Lease.

3. <u>DELIVERY AND ACCEPTANCE OF LEASED PREMISES</u> CONSTRUCTION OF TENANT IMPROVEMENTS FOR THE COUNTY.

- A. On the Commencement Date of this Lease, Landlord will deliver to the County, and the County has agreed to accept, the Leased Premises in improved condition, with the following base building improvements to be provided by Landlord, at Landlord's costs and expense, at the time of the construction of the Tenant Improvements:
 - (i) Landlord shall construct demising partitioning for the Leased Premises in accordance with applicable code;
 - (ii) Landlord shall reconfigure the parking lot in front of Bays Y & Z to provide for a standard truck loading dock;
 - (iii) Landlord shall install an elevator as shown on Exhibits B & B1; and
 - (iv) Landlord shall install glass storefronts in the existing overhead door openings as shown on Exhibits B & B1.
- B. The Landlord will be responsible for the construction of the Tenant Improvements set forth in accordance with the County's floor plans and Work Letter attached hereto as Exhibits B, B1, and C1. Tenant Improvements will be constructed at the sole cost and expense of the County. Unless approved by the County, the total hard costs of the Tenant Improvements will not exceed an amount equal to 110% of the cost estimate obtained in April, 2008 and attached Work Letter hereto as Exhibit C1 and the total Landlord's overhead cost to complete Tenant's Improvements shall not exceed 5% of the winning bid for construction, as adjusted by any approved change orders. The contract for the construction of the Tenant Improvements shall be competitively bid by three (3) contractors approved by the County. If Landlord runs into extraordinary cost during construction, Landlord will promptly notify County and Landlord and County will negotiate a resolution; provided however, that Landlord will not be obligated to perform work resulting in any extraordinary costs unless the Landlord and County have reached a resolution.
- C. The Parties estimate that the Tenant Improvements can be Substantially complete within one-hundred eighty (180) days following the date of the County's final approval of the Construction Permit Drawings prepared for the Tenant Improvements (the "Estimated Completion Date"). The Parties shall use commercially reasonable efforts to construct and install the Tenant Improvements, and deliver on or before the Estimated Completion Date. If, for any reason beyond the reasonable control of the Parties or either of them, the Tenant Improvements are not substantially complete by the Estimated Completion Date, as such may be extended as provided below, this Lease shall not

be void or voidable, the County's obligation to pay rent shall be abated until the date of Substantial completion, and the Estimated Completion Date will be extended one (1) day for each day that the Tenant Improvements are not completed beyond the Estimated Completion Date; provided however, that if the County has fully complied with its obligations pursuant to the Work Letter and the Tenant Improvements are not substantially complete on or before May 31, 2009, the County may elect to give written notice of termination of this Lease, to be effective as of June 30, 2009 (the "County's Elective Termination Date"), unless the Tenant Improvements are substantially complete prior to that date or the County notifies the Landlord, in writing, that it is waiving its notice of termination.

The County covenants with Landlord that the County, and its employees, will not take any action to hinder or delay Landlord's performance of the work to be performed pursuant to the Work Letter, including without limitation, failing to timely and completely respond to any requests for review and approval of Construction Set of Drawings, any submittals, changes, material selections or other requests for approval made by Landlord and the failure to pay, when due, any sums due on account of work performed or materials provided for the construction of the Tenant Improvements, including without limitation, Landlord's overhead. Failure of the County or its contractors, architects or other consultants to respond within the time periods prescribed for such responses in the Work Letter will result in the Estimated Completion Date being extended one day for each day beyond the required response date. Further, if the County requests any changes, modifications or other alterations to the Tenant Improvements which, in the reasonable judgment of Landlord, require additional time to achieve substantial completion or otherwise result in a resequencing of work or a delay in the flow of the performance of the work, the Estimated Completion Date will be extended by a number of days equal to the greater of (i) the number or days required for the performance of such change, modification or alteration, or (ii) the number of days that the work sequencing has been delayed or interrupted. In addition to the foregoing, in the event that the County has not paid within thirty (30) days following receipt of an invoice in a format acceptable to the County for completed work, Landlord, in addition to any other right or remedy provided for in the Work Letter, may direct that work on the County Improvements be stopped until the Parties have agreed on payment of the outstanding invoice(s) and, in such event, the Estimated Completion Date will be extended for a number of days equal to the number of days that work was stopped, plus seven (7) days to allow for remobilization of any contractors to the Premises. The County's acceptance will not be unreasonably conditioned, delayed, or withheld after the punch list items are complete,

4. USE

A. <u>Use</u>: The Leased Premises must only be used and occupied for offices, storage, and warehousing for the Board of Elections and other administrative programs, as permitted by the applicable zoning codes of the City of Gaithersburg.

5. RENT

A. Rent: Commencing on the Commencement Date, and for the first lease year thereafter (the "Base Lease Year"), the County will pay to the Landlord rent in the amount of \$12.00 per square foot for an annualized rental amount of Six Hundred Fifty Thousand Two Hundred Eighty Dollars and 00/100 (\$650,280.00) payable in equal monthly

installments of Fifty Four Thousand One Hundred Ninety Dollars and 00/100 (\$54,190). After the Base Lease Year, the rent will be increased annually by an amount equal to (3 %) in accordance with the Rent Table, below. All rental payments are to be made in advance on the first day of each month during each lease year, and must be payable by check to the Landlord as follows: [Seneca Center II, LLC, c/o Klinedinst Management, Inc., 4405 East-West Highway, Suite 211, Bethesda, Maryland, 20814]

Lease Year	Amount per Sq. Ft.	Annual Rent	Monthly Installment
2	\$12.36	\$669,788.40	\$55,815.70
3	\$12.73	\$689,882.05	\$57,490.17
4	\$13.11	\$710,430.90	\$59,202.58
5	\$13.50	\$731,565.00	\$60,963.75
6	\$13.91	\$753,782.90	\$62,815.24
7	\$14.33	\$776,542.70	\$64,711.89
8	\$14.76	\$799,844.40	\$66,653.70
9	\$15.20	\$823,688.00	\$68,640.67
10	\$15.66	\$848,615.40	\$70,717.95

- B. Additional Rent: The County will pay to the Landlord throughout the Term of this Lease, as Additional Rent, the County's proportionate share of the Common Area Expenses defined in Section 7. D., below, and the County's proportionate share of the Real Estate Taxes during each calendar year. In the event that the Commencement Date or expiration date of this Lease are other than the first day of a calendar year, then the County's proportionate share of expense and tax increases will be adjusted to reflect the actual period of occupancy during the calendar year.
- C. Annual Reconciliation: Within one hundred twenty (120) days after the end of each calendar year, the Landlord shall submit a statement to the County showing the actual Common Area Expenses (to the extent billed back to the County by the Landlord) and Real Estate Taxes (to the extent billed back to the County by the Landlord) for such calendar year and the County's proportionate share of the amount. If, for any calendar year, the County's estimated monthly payments exceed the amount determined to be due from the County pursuant to such annual reconciliation, the Landlord must give the County a credit in the amount of the overpayment toward the County's next monthly payment of Additional Rent. If, for any calendar year, the County's estimated monthly payments are less than the amount determined to be due from the County pursuant to such annual reconciliation, the County shall pay the total amount of such deficiency to the Landlord within thirty (30) days after receipt of the statement from the Landlord. The Landlord and the County's obligations with respect to any overpayment or underpayment of Additional Rent shall survive the expiration or termination of this Lease.
- D. The County's Right to Audit: In the event the County shall dispute the amount set forth in the Landlord's annual reconciliation of actual Common Area Expenses and Real Estate Taxes, the County shall have the right, not later than sixty (60) days following receipt of such statement, to cause the Landlord's books and records with respect to the preceding calendar year to be audited by an independent Certified Public Accountant mutually acceptable to the Landlord and the County. Such audit shall occur upon no less than five (5) days prior written notice to the Landlord, at the Landlord's place of business or

the actual location of the Landlord's books and records if different from the Landlord's place of business, during the Landlord's normal business hours. The amounts payable under this Section by the Landlord to the County or by the County to Landlord, as the case may be, shall be appropriately adjusted on the basis of such audit. If such audit discloses a liability for further refund by the Landlord to the County in excess of five (5%) percent of the payments previously made by the County for such calendar year, the cost of such audit shall be borne by the Landlord and shall not be considered as a Common Area Expense for purposes of this Lease; otherwise, the cost of such audit shall be borne by the County. If the County does not request an audit in accordance with the provisions of this section within sixty (60) days of receipt of the Landlord's annual reconciliation of actual Common Area Expense and Real Estate Tax Expense, such statement shall be conclusively binding upon the Landlord and the County.

- E. <u>Obligation Subject to Appropriation</u>: The Landlord and the County acknowledge and agree that, so long as Montgomery County, Maryland is the tenant under this Lease, payment of rent and/or additional rent is subject to the annual appropriation of funds by the County Council for Montgomery County, Maryland.
- F. Effect of Failure to Appropriate: If the County fails to appropriate, on or before May 31st of any calendar year, sufficient funds for full payment of the rent and performance of the County's other obligations under this Lease for the County's next fiscal year (i.e., the period commencing on the next July 1st and ending the following June 30th), the County will promptly notify Landlord of such fact, and this Lease will automatically terminate at 11:59 p.m. on June 30th of the current fiscal year. The County shall give Landlord a minimum of thirty (30) days notice of the lack of appropriation.
- G. <u>Default:</u> The County's failure to pay Rent or Additional Rent, except for reason of non-appropriation as set forth in this Section, including any and all late fees, when due, constitutes a default, which if not timely cured will be an "Event of Default" as set forth in Article 14 for which the Landlord may pursue any and all remedies set forth in Article 14.

SERVICES AND OPERATING EXPENSES

- A. <u>By the Landlord</u>: The Landlord agrees to provide within the Leased Premises and the Property of which they are a part, at the Landlord's sole cost and expense the following:
- 1. All major roof, plumbing rough-in, and electric service to existing panels systems.
- 2. The Landlord covenants and agrees to provide, but the Tenant shall pay the common area maintenance charges and charges for exterior maintenance of building, grounds, parking lot, utilities, gas, sewer, water and electricity service. Utility services to the Leased Premises shall be separately metered, however, should the Landlord elect not to meter said services separately, then the charges for utilities, gas, sewer, water and electricity shall be prorated between the tenants, based on the square footage leased by such tenants.

- 3. Landlord shall be responsible for, but the County shall pay its pro-rata share of the cost of the following Common Area Maintenance: keeping the parking lot repaired, lighted, striped, cleaned and free of all debris and significant accumulations of ice, snow and replaced as necessary and available at all times as a free parking lot for customers of the property (except when necessary to close portions for repairs and maintenance); and maintaining the landscaping on the project and all other common areas clean, lighted and in good repair, and all sidewalks and common areas (except for that area that County is required to maintain) cleaned and free of all debris and significant accumulations of ice and snow, maintenance of the roof, downspouts and gutters, common signs and sign boxes including replacement as necessary, insurance, refuse removal, management fees and other fees associated with running the property.
- B. <u>By the County</u>: The County agrees to provide within the Leased Premises at County's sole cost and expense the following:
- The County, at its sole cost and expense, shall keep the interior of the Leased Premises in good repair, and replace if necessary, exposed plumbing, heating and air conditioning units, doors and door closers, except for reasonable wear and tear; provided that the County shall be entitled to all parts and service guaranties and any warranties in effect on equipment which it is responsible for maintaining under the terms hereof. The County will, at the County's sole cost and expense, replace all broken glass and glass frames, doors and door frames on said Leased Premises with glass, frames and doors of the same size and quality as received. County shall be responsible for keeping glass window and glass doors in a clean and safe condition, and keep the area immediately fronting and adjacent to said premises properly hand swept, snow and ice within three (3'-0") feet of the Leased Premises removed therefrom, and free from all obstruction and trash. Should the County fail to comply with the terms of this paragraph within twenty-four (24) hours of receipt of written notice from the Landlord, Landlord may, but shall not be required to clear snow or debris or make repairs, in which event the County agrees to pay Landlord, together with and as part of the next monthly installment of rent, as additional rent, the costs and expenses incurred by Landlord to clean or repair. An itemized statement by Landlord to County shall be sufficient evidence of the amount of the cost thereof.
- C. <u>Common Areas</u>: Common Areas are all that portion of the building improvements excepting the Leased Premises. Common areas include the parking areas provided by the Landlord for the building, the public conveniences of the building, and all other areas in the building now or later constructed and intended to be used in common by the County and/or other tenants, clients, and customers of the building. The use and occupation by the County of the Leased Premises shall include the use in common with others of the Common Areas, parking areas, service roads, loading facilities, sidewalks, and other facilities as may be designated from time to time by the Landlord, subject however to the terms and conditions of this Lease and to the rules and regulations attached to this Lease as Exhibit D. The Common Areas will at all times be subject to the exclusive control and management of the Landlord; and the Landlord has the right from time to time to change the area, level, location and arrangement of the Common Areas, to restrict parking for the tenants and their employees to employee parking areas, and to make all rules and regulations and do such thing from time to time as in the Landlord's sole discretion may be necessary for the proper operation of the said Common Areas.

- D. <u>Common Area Expenses</u>: Common Area Expenses are all expenses and costs of every kind and nature which the Landlord incurs because of, or in connection with the ownership, maintenance, management and operation of the Property which expressly includes the land, Building and the Common Areas, including without limitation, property management fees, and Landlord's building and general liability insurance, provided however, that the costs of any premiums attributable to insurance coverage required by the County to be carried by Landlord in excess of the Landlord's existing coverage, or limits of coverage, will be borne by the County exclusively. The County's share of the Common Area Expenses will be based on a fraction the numerator of which is the total rentable square footage of the Leased Premises, and the denominator of which is the total rentable square footage of the Building, or 62.0 % (i.e., County's Square Footage/Entire Square Footage).
- Real Estate Taxes: "Real Estate Taxes" shall mean all taxes and assessments, including but not limited to, general or special, ordinary or extraordinary, foreseen or unforeseen, assessed, levied or imposed by any governmental authority upon the Building and the Land. Real Estate Taxes also shall include special assessments which are in the nature of, or in substitution for real estate taxes, including, without limitation, road improvement assessments, special tax district assessments, special use area assessments, and school district assessments. If at any time the method of taxation prevailing at the date of this Lease shall be altered so that in lieu of, as a substitute for, or in addition to the whole or any part of the taxes now levied or assessed, there shall be levied or assessed a tax of whatever nature, then the same shall be included as Real Estate Taxes. Reasonable expenses incurred by Landlord in obtaining or attempting to obtain a reduction of any real estate taxes shall be added to and included in the amount of any such real estate taxes. Landlord shall have no obligation to contest, object or litigate the levying or imposition of any real estate taxes and may settle, compromise, consent to waive or otherwise determine in its discretion any real estate taxes without consent or approval of Tenant. The County's share of the Real Estates Taxes will be based on a fraction the numerator of which is the total rentable square footage of the Leased Premises, and the denominator of which is the total rentable square footage of the Building, or 62 % (i.e., County's Square Footage/Entire Square Footage).
- F. Signage: The County agrees not to install, place or cause to be placed any exterior advertising signs or awnings upon the premises, not to place advertising signs or posters on the interior of any windows and not to change the exterior color of the building without the prior written consent of Landlord. County shall provide on one facade of the Leased Premises, a suitable exterior signboard, sign or signs of such size, design and character, and in such location(s) only, as Landlord shall approve in writing in its sole discretion. County hereby agrees that such signage shall, unless otherwise expressly permitted, also comply in all respects with the provisions and requirements of the Sign Regulations hereinafter adopted from time to time by Landlord which will be provided to the County in writing. The County shall obtain and pay for all permits and licenses required in connection with such sign and shall be responsible for the proper installation thereof. It is further understood that all signs placed by County on the Leased Premises shall be erected and maintained in accordance with the county, state and/or other ordinances in force or effect at the time, and at the sole cost and expense of County. County agrees to illuminate and maintain all signs in good condition and repair at all times to the reasonable satisfaction of Landlord. Except as expressly permitted by Landlord, no other signs, lights, lettering or

other forms of inscription or advertising or display devices shall be displayed on the exterior of the Leased Premises, or on or in immediate proximity to the inner or outer face of the show windows, entrances, doors or transoms nor shall the same be displayed in any other location within the Leased Premises from which said signs, lights, or other forms of inscription or advertising or display devices may readily be seen from outside the Leased Premises without prior written approval of Landlord as to size, material, design and neatness thereof. It is further agreed that the County will notify Landlord when the County needs to use sidewalks, parking areas, and alleys for directional and other signs. Landlord will take into account the County's hours of operation and extraordinary signage needs when promulgating Sign Regulations applicable to the Premises. Under no circumstance will the County be required to modify its official seal.

7. COUNTY'S PROPERTY DAMAGE AND LIABILITY INSURANCE

- A. The County shall obtain and maintain, during the full term of this Lease and any extension thereof, a policy of public liability insurance with bodily injury limits of \$200,000 (two hundred thousand dollars) for injury (or death) to one person, \$500,000 (five hundred thousand dollars) per occurrence, and property damage insurance with a limit of two hundred thousand dollars (\$200,000). The County shall have the right to self-insure. These are the maximum limits of liability for which the Montgomery County Self-Insurance Program is responsible, as determined by the Local Government Tort Claims Act, 1986 MD. Ann. Code, Cts & Jud. Proce. Sec. 5-301 et seq. (2006 Repl. Vol) as amended (the "LGTCA"). If the LGTCA is amended to increase any of these limits, then the increased limits shall automatically apply to this Lease.
- B. The County agrees that it will not keep in or upon the Premises any article which may be prohibited by the standard form of fire or hazard insurance policy. In the event the County's occupancy causes any increase in the insurance premiums for the Premises or any part thereof, then the County shall pay the additional premiums as they become due.
- C. The County will indemnify Landlord and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and/or damage to property arising from or out of any occurrence upon or at the Premises, or the occupancy or use by the County of the Premises or any part thereof, or the County's use or the exterior areas provided by Landlord for the comfort and convenience of the County, occasioned wholly or in part, to such extent, by any act or omission of the County, or its employees, except to the extent that such claims arise out of the wrongful acts or omissions of the Landlord, Landlord's agents, contractors, and employees, provided, however, that the Landlord provides to the County within 30 days of the receipt thereof, notice of any and all claims under which Landlord will rely on this indemnification. The County shall indemnify the Landlord against any penalty, damage or charge incurred or imposed by reason of the County's violation of any law or ordinance. This indemnification is subject to the Limitations stated in Section 33, below.
- D. Notwithstanding anything in this Lease to the contrary, the County further agrees that all personal property in the Premises shall be and remain at the County's sole risk, and the Landlord shall not be liable for any damage to or loss of such personal

property except to the degree damage arises out of the wrongful acts or omission of the Landlord, Landlord's agents, contractors or employees.

E The County shall deliver to Landlord a certificate of insurance evidencing the coverage hereinabove described within thirty (30) days from execution of this Agreement. The County reserves the right to self-insure.

8. LANDLORD'S PROPERTY DAMAGE AND LIABILITY INSURANCE

- A. The Landlord shall obtain and maintain, during the full term of this Lease, and any extension thereof, a policy of general liability insurance with limits of one million dollars (\$1,000,000) including fire legal liability, contractual liability, products and completed operations, and personal injury.
- B. The Landlord shall provide an All Risk Property Policy to protect against loss caused by the perils insured in the amount of 100 percent of the insurable values of the property. The policy shall also endorse a demolition and clearing clause, extra expense and loss of use coverage.
- C. All such insurance required to be carried by the Landlord: (a) shall be with an insurance company licensed to do business in the State of Maryland and rated not lower than A-XII in the A.M. Best Rating Guide, (b) may, with respect to the liability insurance described in this Section, consist of a combination of primary insurance coverage and umbrella insurance coverage, (c) may be insured under a blanket insurance policy covering multiple properties or locations, provided the minimum amount required to be applicable to the Building shall not be diminished by virtue of such blanket coverage, (d) shall name the County as an additional insured and (e) shall provide for a minimum thirty (30) day notice of cancellation or material change. If requested by the County, copies of insurance policies shall be provided. The Landlord's property insurance shall provide or contain an endorsement that such policy shall remain in full force and effect notwithstanding that the insured has released its right of action against any party before the occurrence of a loss. The Landlord shall provide a certificate of insurance or other reasonable documentation evidencing the coverage hereinabove described within thirty (30) days from the execution of this Agreement.
- D. The Landlord will indemnify the County and save it harmless from and against any and all claims, actions, damages, liability and expense in connection with loss of life, personal injury and /or damage to property arising from or out of any occurrence upon or at the Premises, or the occupancy or use by the Landlord of the Premises or any part thereof including exterior areas, to the extent caused by any wrongful act or omission of the Landlord, its agents, contractors, or employees, excepting claims arising out of the acts or omissions of the County, the County's agents, and employees. Provided, however, that the County provides to Landlord within 30 days of the receipt thereof, notice of any and all claims under which County will rely on this indemnification. The Landlord shall indemnify the County against any penalty, damage or charged incurred or imposed by reason of the Landlord's violation of any law or ordinance.

9. RIGHT OF ENTRY

- A. Routine Repairs and Inspection: The County shall permit the Landlord, its agents or employees, at reasonable times and upon reasonable prior notice (not less than twenty-four (24) hours prior notice) to enter the Leased Premises without charge and without diminution of rent to: (1) examine, inspect and protect the Leased Premises; (2) to make such alterations and repairs or perform such maintenance which the Landlord is authorized to perform under this Lease; (3) to exhibit the Premises to prospective purchasers or tenants or to present or future mortgagees. The County may deny access to the Landlord at any time that the Landlord's presence interferes with the County's use of the Leased Premises as a Board of Elections facility. The Parties will work together to facilitate reasonable access for the Landlord without comprising public safety, or any security requirements inherent in the operation of a secured Board of Election facility. The County has the right to accompany Landlord during any inspection to maintain the security and integrity of voting machines, ballots, and other official voting paraphernalia.
- B. <u>Emergency Access</u>: In cases of emergency, the Landlord, its agents or employees, without prior notice to the County, may enter the Leased Premises, however, the Landlord will notify the County of any such entry under this section as soon as is practicable under the circumstance.

10. ALTERATIONS

The County will not make or permit any alterations, additions, or improvements of any kind to the Leased Premises, other than the initial improvements identified on the County Improvement Work Letter, without the Landlord's prior written consent. The Landlord may impose any reasonable conditions to its consent, including, but not limited to: (1) prior approval of the plans and specifications and the County's contractors with respect to the alternations; and (2) the right of the Landlord's representatives to inspect the alterations during the course of their installation and payment of Landlord's plan review and inspection fees paid to Landlord's property management company, such consent shall not be unreasonably withheld, conditioned, or delayed.

11. ASSIGNMENT

This Lease Agreement is not assignable.

12. COUNTY'S DUTIES & COVENANTS

A. The County shall not drive, park or permit any vehicle greater in weight than 8,600 pounds gross vehicle weight or in size larger than a single-axle box truck to enter upon or within the loading bays servicing the Leased Premises. Any vehicle greater in weight than 8,600 pounds gross vehicle weight or in size than a single-axle box truck, must perform any off-loading from the exterior driveway entrance to the loading bay servicing the Leased Premises unless the County has obtained Landlord's prior written consent which consent will not be reasonably withheld, conditioned, or delayed.

- B. The County will not strip, overload, damage, or deface the Leased Premises or any part of the Premises, including, but not limited to, hallways, stairways, or elevators
- C. The County will not permit any business, activity, trade or occupation to be carried on or any use made of the Leased Premises outside of the scope of permitted use provided for under this Lease. Further, the County will obey any and all federal, state, county and local laws and regulations relating to their operation of business on and in the Leased Premises and Premises.
- D. The County will conform to, and comply with all Rules and Regulations established from time to time by the Landlord and provided in writing to the County, not less than 30 days prior to enforcement.
- E. The County will not interfere with the Landlord's use, or other Tenant's use of the Premises.
- F. The County will pay all of its bills and expenses relating to the County's use of the Leased Premises including, but not limited to utilities and Common Area Expenses on time and must not permit any disruption in any service, including but not limited to, utilities, to any portion of the Leased Premises.
- G. The Parties agree to and must perform any and all obligations under this Lease in a timely manner.
- H. Upon removal of the County's personal property from the Leased Premises, the County at its sole expense must repair any damage to the Leased Premises caused by such removal so that the Leased Premises are in substantially the same condition as at the commencement of the Lease Term, reasonable wear and tear excepted.

13. DAMAGES/DESTRUCTION OF LEASED PREMISES

In the event of damage or destruction of the Leased Premises by fire or any casualty, this Lease shall not be terminated, but the Leased Premises shall be promptly and fully repaired and restored as the case may be by the Landlord to the extent of Landlord's insurance proceeds provided such repair and restoration returns the Leased Premises to substantially the condition prior to such damage or destruction. Due allowance, however, shall be given for reasonable time required for adjustment and settlement of insurance claims, and for such delays as may result from governments restrictions, and controls on construction, if any, and for strikes, national emergencies and other conditions beyond the control of the Landlord. It is agreed that in the event of damage or destruction, this Lease shall continue in full force and effect, except for abatement of rent as provided herein. If the condition is such as to make the entire Lease Premises "Untenantable", then the rental which the County is obligated to pay hereunder shall abate as of the date of the occurrence until the Leased Premises have been fully restored by the Landlord. Any unpaid or prepaid rent for the

month in which said condition occurs shall be prorated and credited or paid to the appropriated party. If the Leased Premises are partially damaged or destroyed, then during the period that County is deprived of the use of the damaged portion of said the Leased Premises, County shall be required to pay rental prorated to reflect that portion of the Leased Premises which continues to be "Tenantable" and appropriate for County's use. Landlord will proceed at its expense and as expeditiously as may be practicable to repair the damage. Notwithstanding any of the foregoing, in the event of substantial damage or destruction, and Landlord should decide not to repair or restore the Leased Premises or the building, in which event and at Landlord's sole option, Landlord may terminate this Lease forthwith, by giving County a written notice of its intention to terminate within ninety (90) days after the date of casualty. No compensation, or claim, or diminution of rent other than as described above will be allowed or paid, by Landlord, by reason of inconvenience, annoyance, or injury to business, arising from the necessity of repairing the Lease Premises or any portion of the Building of which they are a part.

14. <u>RETURN OF THE LEASED PREMISES</u>

- A. At the conclusion of the Lease Term as set forth in this Lease, or following the termination of this Lease for any other cause the County will remove all of its personal property from the Leased Premises and return to the Landlord all keys, locks, and other fixtures belonging to the Landlord, in good repair, reasonable wear and tear excepted. The County, at its sole expense must repair any damage to the Leased Premises caused by such removal so that the Leased Premises are in substantially the same condition as at the commencement of the Lease Term, reasonable wear and tear excepted.
- B. The County will return the Leased Premises to the Landlord in "broom clean" condition, reasonable wear and tear excepted.
- C. Following termination of this Lease the County must remove any and all signs erected by or on behalf of the County, as directed by Landlord.
- D. At the time of termination of this Lease and at the Landlord's option, the County will participate in a walk-through with the Landlord's agent or employee to inspect the Leased Premises.
- E. The County shall not have any obligation or liability to remove the improvements made pursuant to County's Improvement Work Letter.

15. DEFAULT BY COUNTY

A. If the County shall default in payment of the rents, including any amounts denominated as additional rent reserve hereunder for a period of seven (7) days after any of the same shall have become due and payable as aforesaid, or if County shall abandon or appear to abandon the Leased Premises or fail to conduct business therein, for a period of sixty (60) consecutive calendar days except for repairs or restoration of the Leased Premises with the consent of the Landlord, or if default shall be made by County in any of the other covenants and agreements herein contained to be kept and fulfilled on the part of the County for a period of thirty (30) days after written notice of such default is given by the Landlord to

the County without action by the County to remedy such default and continuance of such action to remedy such default to conclusion with reasonable diligence or if County makes any transfer, assignment, conveyance, sale, pledge or disposition of all or a substantial portion of its property, or removes a substantial portion of its personal property from the Leased Premises, then and forthwith thereafter the Landlord shall have the right at its option and without prejudice to its rights hereunder, to terminate this Lease and/or to re-enter and take possession of the Leased Premises, or the Landlord, without such re-entry may recover possession of the Leased Premises in the manner prescribed by the statute.

- B. Should Landlord elect to re-enter, or take possession pursuant to legal proceedings then the County's tenancy shall be immediately terminated, and, upon payment of all rent or additional rent due at or before the time of terminating the County will have no further obligation under this Lease.
- C. Each Party must pay its own legal costs expenses in any suit or claim filed under this Lease.
- D. In order to defray the additional expenses involved in collecting and handling delinquent payments, County shall pay on demand a late charge of One Hundred Dollars (\$100.00) when any installment of rent (minimum or additional) is paid more than ten (10) days after the due date thereof. This charge is intended to compensate Landlord for additional costs incurred by it and is not to be considered interest. Such past due rent charge shall not be imposed the first time it would otherwise be due during any twelve (12) month period, provided County shall make such payment within seven (7) days after written notice from Landlord that payment has not been timely received.
- E. Should any controversy arise by and between the Parties concerning any of the terms and conditions contained in this Lease, or the payment of monies due hereunder, each of the Parties hereby knowingly, voluntarily and intentionally waives its right to a jury trial and freely elects to be tried by a court of competent jurisdiction located in, Montgomery County Maryland.

16. DEFAULT BY LANDLORD

In the event that the Landlord or his assigns shall fail or neglect to keep and perform each and every one of the covenants, conditions, and agreements contained in this Lease, and such failure or neglect is not remedied within thirty (30) days (or such longer period as either otherwise provided herein on as may reasonably be required to correct the default with exercise of due diligence) after written notice from the County specifying the default, then the County, at County's option, may terminate this Lease upon written notice to Owner, in which event the Landlord and County shall be released from all liability to the other hereunder.

17. FORCE MAJURE

Except as otherwise provided, neither the Landlord or the County shall be considered in default of an obligation under this Lease nor liable for loss or damage for failure to perform an obligation (nor shall the other party be released from any of its obligations under this Lease if the non-performing party is delayed in performing an

obligation), where the performance of such obligation by the non-performing party is delayed as a result of an event of "force majeure" which shall mean any acts of God, strikes, lockouts, labor difficulties, materials shortages, moratoria, explosions, sabotage, accidents, riots, civil unrest, acts of war, fire or casualty, energy shortages or other causes beyond the reasonable control of the non-performing party, provided that in no event shall financial inability to pay be considered an event of "force majeure".

18. RULES AND REGULATIONS

The rules and regulations are appended to this Lease as Exhibit D and are hereby made a part of this Lease, and the County agrees to comply with and observe the same. The County's failure to keep and observe said rules and regulations shall constitute a breach of the terms of this Lease in the manner as if the same were contained herein as covenants. Landlord reserves the right from time to time to amend or supplement said rules and regulations and to adopt and promulgate additional rules and regulations applicable to Leased Premises and the Premises. The Landlord shall provide thirty (30) days written notice to the County of such additional rules and regulations, and amendments and supplements, if any, and the County agrees thereupon to comply with and observe all such reasonable rules and regulations, and amendments thereto and supplements thereof, provided the same shall apply uniformly to all tenants of the Premises.

19 COUNTY'S RIGHT OF QUIET ENJOYMENT

If the County pays all rent, and performs all of its obligations under this Lease, the County shall at all times during the term of this Lease, and any extensions of this Lease, have the peaceable and quiet enjoyment and possession of the Leased Premises for the purposes stated in this Lease.

20. WAIVER:

The waiver at any time by either of the Parties of any particular covenant, condition, obligation, or duty under this Lease shall extend to the particular case only, and for the particular time and in the particular manner specified, and such waiver must not be construed or understood as waiving any further or other rights of either Party.

21. NON-DISCRIMINATION

The Landlord agrees to comply with the non-discrimination policies in County contracts as required in Sections 11B-33 and Chapter 27 of the Montgomery County Code, (2004), as amended as well as all other applicable state and federal laws and regulations regarding employment discrimination. The Landlord assures the County that in accordance with applicable law; it does not, and agrees that it will not discriminate in any manner on the basis of race, color, religious creed, sex, marital status, national origin, ancestry, disability, sexual orientation or genetic status.

22. ETHICS REQUIREMENT

The Landlord understands and agrees that unless authorized pursuant to Section 11B-52 and Chapter 19A of the Montgomery County Code (2004) as amended, that it is unlawful for any person or entity transacting business with the County to employ a public employee for employment contemporaneous with his or her public employment.

23 CONTRACT SOLICITATION/BROKER'S FEES OR COMMISSIONS

Each of the Parties represents and warrants that there are no claims for brokerage commission or finder's fees in connection with the execution of this Lease, except to McShea & Company, Inc., (whose commission shall be paid by Landlord) and each of the Parties agrees to indemnify the other against, hold it harmless from, all liabilities arising from any such claim (including without limitation, the cost of counsel fees in connection therewith). The Landlord represents that it has not retained anyone to solicit or secure this Lease from Montgomery County, Maryland, upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, except from bona fide employees or bona fide established commercial, selling or leasing agencies retained by the Landlord for the purpose of securing business or an attorney rendering professional legal service consistent with applicable canons of ethics.

24. EMINENT DOMAIN

If the whole (25% or more) of the Premises, Building or Property shall be taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), then the Term shall cease and terminate as of the date when title vests in such governmental or quasi-governmental authority, and rent shall be prorated to the date when title vests in such governmental or quasi-governmental authority. If less than a substantial part of the Leased Premises is taken or condemned by any governmental or quasi-governmental authority for any public or quasi-public use or purpose (including, without limitation, sale under threat of such a taking), rent and the County's proportionate share shall be reduced by the ratio that the portion so taken bears to the rentable square footage of the Leased Premises before such taking, effective as of the date when title vest in such governmental or quasigovernmental authority, and this Lease shall otherwise continue in full force and effect. The County shall have no claim against the Landlord (or otherwise) as a result of such taking, and the County agrees to make no claim against the condemning authority for any portion of the amount that may be awarded as compensation or damages as a result of such taking; provided, however, that the County may, to the extent allowed by law, claim an award for moving expenses and for the taking of any of the County's property (other than its leasehold interest in the Premises) which does not, under the terms of this Lease, become the property of the Landlord at the termination of this Lease, as long as such claim is separate and distinct from any claim of the Landlord and does not diminish the Landlord's award.

25. HOLDOVER

- A. <u>No Right to Holdover</u>: The County shall have no right to holdover and continue to occupy the Leased Premises upon expiration or termination of this Lease without first obtaining the prior written permission of the Landlord.
- B. Holdover with Consent: If the County holds over after the expiration of this Lease with the Landlord's written consent, the tenancy created by such holding over will be a month to month tenancy, but in all other respects will be governed by the terms of this Lease, provided, however, that (1) in all cases (except a default by the County) a thirty (30) day notice will be required to terminate the tenancy created by such consented holdover; and (2) the monthly rent payable under this Lease during any such holdover period will be 150 % of the Rent in effect for the last month of the Term then ending plus Additional Rent, and except that (a) if, upon the expiration of this Lease, the County and the Landlord are actively engaged in good faith negotiations for a renewal or extension of this Lease, the Landlord agrees that the rent in effect immediately prior to the expiration of the Lease will be the rent due plus a one time 3% increase per annum until a new Lease is executed by the Parties. In no event will the holdover period be longer than 180 days following expiration of the Initial Lease Term and Optional Term as defined above.
- C. <u>Holdover without Consent</u>: Notwithstanding the foregoing, if the County holds over the expiration of this Lease without the Landlord's written consent, the County shall be the tenant at sufferance and must pay to the Landlord holdover damages equal to 150% the Rent in effect for the last month of the Term then ending plus Additional Rent.

26. ENTIRE AGREEMENT

This Lease (which contains and includes the Attachments) is the entire agreement between the Parties, and no representations, inducements, or agreement, oral or otherwise, between the Parties not contained in this Lease shall be of any force or effect.

27. MODIFICATION

This Lease (other than the Rules and Regulations, which may be changed from time to time) must not be modified in any manner except by an instrument in writing executed by both Parties with the same formality as this Lease.

28. NOTICES

All notices required or desired to be given in accordance with this Lease by either party must be given by first class mail with a nationally recognized receipted delivery service, postage prepaid, addressed to the County or Landlord, respectively. Notices to the Parties must be addressed as follows:

THE LANDLORD:

Seneca Center II, LLC c/o Klinedinst Management, Inc. 4405 East-West Highway, Suite 211 Bethesda, Maryland 20814

With a copy that does not constitute notice to:

Miller, Miller & Canby 200-B Monroe Street Rockville, Maryland 20850 Attn: Robert E. Gough, Esq.

THE COUNTY:

Montgomery County, Maryland
Department of General Services
Office of Real Estate and Management Services
101 Monroe Street, 10th Floor
Rockville, Maryland 20850
Attn: Director Office of Real Estate

With a copy that does not constitute notice to:

Office of the County Attorney 101 Monroe Street, 3rd Floor Rockville, Maryland 20850 Attn: County Attorney

29. GOVERNING LAW

This Lease and its performance is to be governed, interpreted, construed, and regulated by the laws of Montgomery County and the State of Maryland.

30. CLAIMS

Any claim or action brought by or on behalf of either Party in connection with the performance of this Lease must be filed and maintained in a court of competent jurisdiction located in Montgomery County, Maryland.

31. NO PARTNERSHIP

Nothing contained in this Lease shall be deemed or construed to create a partnership or joint venture of or between the Landlord and the County, or to create any other relationship between the Landlord and the County other than that of landlord and tenant.

32. SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE

In the event that the original Landlord, or any successor owner of the Premises shall sell or convey the Premises, all liabilities and obligations on the part of the original landlord, or such successor owner, under this Lease occurring thereafter shall terminate as of the day of such sale, and all such liabilities and obligations shall be binding on the new owner. The County agrees to attorn to such new owner. Any successor to the Landlord's interest shall not be bound by (i) any payment of Base Rent or Additional Rent for more than one (1) month in advance or (ii) as any mortgagee or any purchaser at foreclosure, any amendment or modification of this Lease made without the consent of such mortgagee. The County shall, without charge, attorn to such successor-in-interest upon written request from Landlord, using the Subordination, Attornment, and Non-Disturbance form attached as Exhibit F.

33. ACKNOWLEDGEMENT CONCERNING STATUTORY LIMITATIONS

The Landlord acknowledges that the County is a political subdivision of the State of Maryland and, as such, is subject to the terms of the Maryland Local Government Tort Claims Act, Section 5-301, et seq. of the Courts and Judicial Proceedings Article of the Maryland Annotated Code, as the same may be amended from time to time (the "Local Government Tort Claims Act" or "LGTCA"). As the County is subject to the terms of the LGTCA by virtue of being a political subdivision of the State of Maryland, certain indemnities which may be provided for in this Lease may be limited by the provisions of such LGTCA. Without limitation, any programs of the State of Maryland (the "State") which are being administered by the County within the Leased Premises shall be subject to the limited immunity granted to State employees and programs under the LGTCA and under the Maryland Tort Claims Act, Section 12-101, et seq. of the Government Article of the Maryland Annotated Code, as the same may be amended from time to time (the "State Tort Act"). For purposes of this Lease, the LGTCA and the State Tort Act are referred to collectively as the "Tort Acts." Any obligation or liability of the County arising in any way from this Lease is subject to, limited by, and contingent upon the appropriation and availability of funds. Any indemnification given by the County in this Lease is limited by the damage caps and notice requirements stated in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. §§ 5-301, et seq. (2006) Repl. Vol.) (the "LGTCA"); Md.

Code Ann. Art. 25A, § 1A (2005 Repl. Vol.); and Md. Code Ann., Cts. & Jud. Proc. § 5-509 (2006 Repl. Vol.), (together the "County Indemnification Statutes"), all as amended from time to time, and that any indemnification given by the County in this Lease is not intended to create any rights or causes of action in any third parties or to increase the County's liability above the caps provided in the County Indemnification Statutes, as applicable. Any statutory changes increasing the caps during the Initial Lease Term or Optional Term shall apply to this Lease automatically.

34. ESTOPPEL CERTIFICATES

The County agrees, at anytime and from time to time, upon not less than (30) days written notice to Landlord, to execute, acknowledge and deliver to Landlord in writing the completed and signed Estoppel Certificate as contained in <u>Lease Exhibit "E": Estoppel Certificate Form.</u>

35. PUBLIC EMPLOYMENT

Landlord understands that unless authorized under Sections 11B-52 and Chapter 19A of the Montgomery County Code (2004), as amended, it is unlawful for any person transacting business with Montgomery County, Maryland, to employ a public employee for employment contemporaneous with his or her public employment.

SIGNATURE PAGE FOLLOWS

IN WITNESS WHEREOF, the PARTIES hereto have duly signed these presents and affixed their respective seals the day and year first above written.

	•
	LANDLORD:
	SENECA CENTER II, LLC
Witness	By: fert t Name: four L. KLWKDINST Title: MNAYING MEMBLE
	COUNTY:
Witness Deborah Richard	MONTGOMERY COUNTY, MARYLAND A body corporate and politic and a Political subdivision of the State of Maryland By: Name: Diane R. Schwarz Jones Title: Assistant Chief Administrative Officer
Approved as to form and legality Office of the County Attorney	Recommended
By: <u>Filen D. Branan</u> Name: <u>Fileen T. Basam</u> an Title: Assoc. Quata Attorney	By: Cynthia Brenneman Director, Office of Real Estate

EXHIBIT A

SENECA CENTER ILLOWER LEVEL 19753 NORTH FREDERICK AVENUE

موادية المراجع من

EXHIBIT A 1

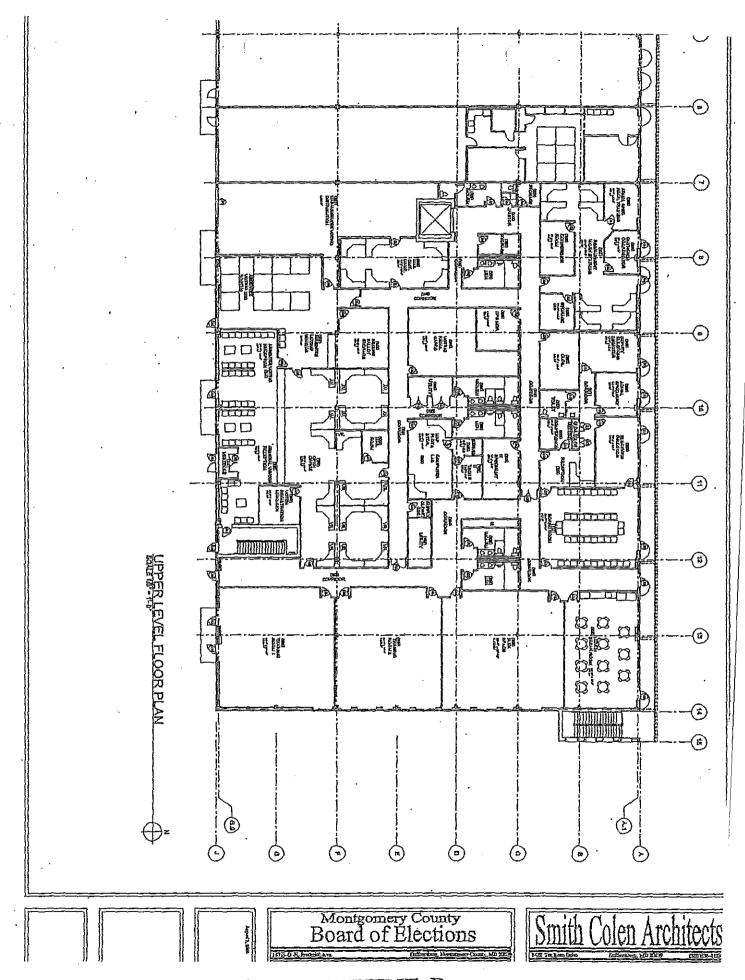


EXHIBIT: B

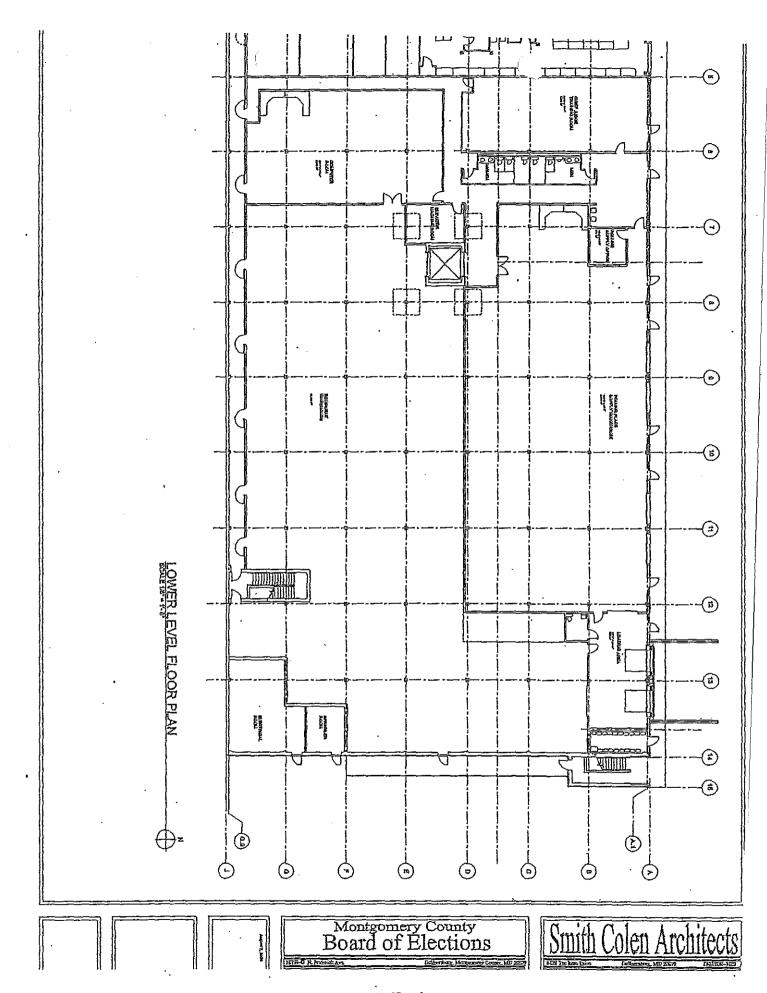


EXHIBIT B 1

EXHIBIT C

WORK LETTER

- 1. Landlord shall perform the following improvements to the Leased Premises at Tenant's sole cost and expense in a workman-like manner and in accordance with applicable building codes as shown on the attached Exhibits B, B1 floor plans and itemized list and cost shown as part of Exhibit C1 in an estimated time of One Hundred and Eighty (180) days following the date of the County's final approval of the Construction Permit Drawings.
- 2. Unless otherwise agreed to by the Landlord and the County, invoices (together with supporting documentation) will be submitted monthly and shall be paid by the County within fifteen (15) days of receipt. The invoice amount will be for the work completed. The final invoice shall be submitted upon completion of the work, which is defined as the date upon which: (i) the improvements to be constructed are substantially completed, notwithstanding that minor or insubstantial details of construction, mechanical adjustment or decoration remain to be performed, the non-completion of which will not materially affect the County use or the appearance of the Leased Premises; (ii) final inspections have been successfully completed for all work requiring final inspections under the required permits; and (iii) Landlord delivers possession of the Leased Premises to the County. Upon taking possession of the Leased Premises, the County thereby accepts the condition of the Leased Premises, subject to punch list items. Landlord and County shall use commercially reasonable efforts to complete any punch list items submitted by County to Landlord, within thirty (30) days following the completion date or such additional period as may be reasonably required. The term "Punch List Items" shall mean details of construction, decoration, and mechanical adjustment which, in the aggregate, are minor in character and do not materially interfere with County's use or enjoyment of the Leased Premises.
- 3. Landlord shall transfer all assignable warranties for the Tenant Improvements to the County.



	April 23, 2008
PROJECT:	Monigowery County Board of Elections
	Senece Center II; 18753 North Fréderick Avenue
	Gaithersburg, Maryland 20577
PLANS:	Plobs Plan Leyout Only
est, scheoùle:	18 weeks construction, plus 2 weeks for inspections and class-out
TOTAL SE:	Apprior. 54,199 SF

MENTS: 2 wiedz @ 50% for précou and project satup + 18 wks @ 100% for construction + 2 weedz @ 50% for project close-pur @ 52,050/wk 20 weedz @ \$2,500/wk x 50% 20 wks @ \$25/ijk 20 wks @ \$70/wk		\$41,000 \$22,500 \$1,900	\$378,8
wki @ 100% fot construction + 2 weels @ 50% fot profect close-out @ 52,050/wk 20 weeks @ \$2,500/wk x 50% 20 wki @ \$25/wk		\$22,500	
20 włs @ \$25kik	\$500		
	\$500	27,900	
	\$500		
M who @ 570hub			
	\$1,400		
·	included		
	02		
ALLOWANCE		\$750	
allowance: 40 mH & 52625/MH, 8 Dumpstor		\$5,450	
ALLOWANCE: Office Cleaning		\$3,859	
ori:		\$157,869.	
	. 52,500		
ALL:OWANCE: Architecture, MEP	<u>፯</u> 144,569		
Pre-Construction consulting, allow 80 MH @ \$133/ MH.	\$10,800		
alionance;	<u> </u>	\$125,000	
17% of total project cost		\$10,500	
zising		\$0	
		\$10,000	
	ALLOWANCE ALLOWANCE: 40 MH @ \$2625/MH, & Dumpsters @ \$550es ALLOWANCE: Office Cleaning off: Reproducibles for confractor bidding and associated bostage ALLOWANCE: Architecture, MEP Pre-Constructions consulting, allow 80 MH @ \$1257 MH. ALLOWANCE: LEW of total project cost existing	ALLOWANCE, ALLOWANCE, 40 MH @ \$26.25/MH, & Dumpsters @ \$550/es ALLOWANCE, Office Cleaning oni: Reproducibles for confrictor bidding and associated actstage \$2,500 ALLOWANCE: Architecture, MEP \$144,569 Fre-Construction consulting, allow \$0 MH @ \$125/ MH. \$10,800 ALLOWANCE:	ALLOWANCE, 40 MH @ \$26.25/MH, & Dumpsters @ \$550ke

OIVISION 2: SITE WORK	U	 	s
B. Site Demolitions		 \$6	
i. Site Concrete!		 20	
R. Other	Elevator pit	 By Landlord	
· · · · · · · · · · · · · · · · · · ·		:	•

VISION 3: CONCRETE:		. \$4,20
À, Foundation Gohereix	50	
F. Slab on Grade:	02	
G. Raised Congrete Decks:	\$0	
O. Flood Trench & Patch: Trenching for underground: 120 LF @ \$15/LF	\$4,200	
P. Other	50	
		}

			ÿ	
•	•		As	oril 23, 2008
	PROJECT:	Montgomery County	= -	
		Sence Center 15:187	53 North Frederick Avenue	
	**************************************	Galibersburg, Marylan	4 20877	
	EST, SCHEDULE:		, plus 2 weeks for inspectio	ns and close-out
	TOTAL'SP;	Approxi \$4,196 SE		
CLASSIFICATION/NOTES:				TOTAL:
DIVISION 4: MASONRY:			<u> </u>	02
B. Mise Masonry;			\$0	
D. Other:	<u> </u>		50	
DIVISION 5: METALS:				\$7,900
A. Structural Sizel:	· · · · · · · · · · · · · · · · · · ·	·_ ·- ·	ţ:o	
E, Missellaneout Sted:	Deck angles for roof penetrations		\$1,250	
H. Other:	Roof curbs (16)@\$475 es		\$6,650	,
				لل
DIVISION 6: CARPENTRY:	····		_	\$19,910
A. Rough Carpentry:	Wood blocking at roof and walls it miss, corporary;		. \$9,320	
1, Näieitis	ALLOWANCE	\$2 <u>,</u> 500		
2. Labor	160 kH @ \$<25MH	\$6,720		
D. Interior Finish Corpentry:		J		
I. Matériala		\$0		6
2. Labor F. Casework		<u>}</u> <u>\$6</u>	\$10,690	
r, caeraje	Breakroom issexwork, bathroom vanity tops, shelying		2188221	
1. Materials	in storage closes	\$10,690		
2. Labor		io U.	 -	
G. Others			\$0.	
DIAGONAL PROPERTIES OF THE	STOTE THE PROPERTY OF		<u></u>	\$13,650
DIVISION 7: THERMAL & MC	ALLOWANCE: (14) HYAC units, plus exclused for and venus. Roof flashing for HVAC and plumbing		-	עכטיניני
. C. Roofing:	and vents. Roof flashing for HVAC and plumbing penetrations.		\$13,650	
L. EIFS:			so	·
DIVISION & DOORS & WIND			<u> </u>	\$58,060
A Doors & Frames	Interior HM frames and solid core, stain grade doors: (59) 3 x 7, (10) 6 x 7		\$46,985	
C. Does Hardware:	Surcharge for closures, locksets, baying		\$5,735	l
D. Dock Levelers			\$4,800	į
E. Exterior Windows/Storefronts:	Exterior frames and doors (2) 5 x 7, (2) 6 x 7; Balance of exterior windows by Landlord		\$3,900	
P. Interior Windows			50	
G. Minore	Restroom mirrors: (8) 6' x #', (2) 3' x 4'		53,240	.
H. Other			\$0	

				Ap; il 23, 2008
	PROJECT:	Montgomery County	Board of Elections:	
		Seneca Center II; 1875	3 North Frederick Ave	nue
	400-400-00-00-00-00-00-00-00-00-00-00-00	Galdhersburg, Marylan	\$ 20877	
	EST, SCHEDULE:	18 waeks coostruction	plus 2 weeks for inspe	ctions and close-out
	TOTAL SF:	Approx. \$4,190 SP		
			· · · · · · · · · · · · · · · · · · ·	
Classification/notes:				TOTAL;
IVISION 9: FINISHES:				\$494,307
A. Interior Demolition:			By Lendioid	
B. Studs & Drywell;			\$229,830	
I. Demising Well		By Landlord		
	Full height (19) ceiling height (10), Sound ininisted (through ceiling) partitions (12), Perimeter drivali			
2. Bluds & Drywell	(12) 2 x 4 accoustical calling in office area only: 10,870	\$229,830	· · · · · · · · · · · · · · · · · · ·	
C. Cellings:	<u>SF</u>		\$69,458	
D. Plaster & Stuceot:	·		\$0	
E, Ceramic & Quarry Tile:	Restroom foors and wet wells to 5', the in vestibule ALLOWANCE: Flash patch at floor trench locations		\$22,400	
F. Hash Patch:	for floor preparation	[\$1,250	
G. Vinyl Flooring	Breakroom, utility breas, Allow 1,500 SF @ \$1.45/SF		\$7,175	
H. Curpet:	 	,	\$91,80b.	1
1. Base Grade Carpet	ALLOWANCE: 4,080 BY @ 572 S/BY	591,800		
2. Upgraded Carpet	:	\$20		1
3. Other		\$0		1
1. Base:		, .	\$7,370	•
1. Vinyl Bate	ALLOWANCE: Vinyl base: 3,800LF @ 51,15/LF	\$4,370	è	
2. Carpet Base .		\$10		
4. Other	Cerunif base in restructus	\$3,000		. [
). Spicialty Flooring:	Acrylic floor scalant applied to exposed contingle floors		£11,025.	1
R. Exterior Painting:	Paintnew exterior doors and frames.		\$750	}
L. Interior Paintings	·		\$58,250]
L. Walls	Approx 100,000 purities SF, of wall paint	\$45,600		
2. Doors	(79) Doors and frames	\$1,900		ſ
3. Wood Trim/Shalving	ALLOWANCE	\$1,500		
4. Other	Point-up and touch-up after occupancy	\$3,850		
M. Walkovering			50	Į.
	3	· · · · · · · · · · · · · · · · · · ·		1

2. Labor. Prep & Hong

N. Other:

	:		ĺ	
	•			<u> </u>
	PRÒTECT:	Monigomery County	Bound of Elections	Ápril 23, 2008
	ricinati.		3 North Frederick Ave	
		Gaithersburg, Marylar		
	EST, SCHEDULE:		, plus 2 weeks for inspe	ctions and close-out
	TOTAL SE	Approx. 54,190 SP		
CLASSIFICATION/NOTES:			1	TOTAL
division 10: Specialties;	<u> </u>		,	\$29,780
A. Chalk/Tack/Marking Boards:			\$0	
B. Locker		····		
C. Tollet Compartments.	(8) HC toilet stalls, (8) standard stalls, (4) srinal		\$13,880	
1. Meteriels	Sectors (9) Western trails (4) sumai	\$13,860		
2, Labor	<u> </u>	\$0		ı
D. Toile! Accessories:	TOWN THE THIS USE WE WIND TOWN		\$11,600	
I. Materials	dispension, that receptions, soup dispensions, handicap bars	\$11,600		
2 Labor		intal.		
É. Access Floore:		<u></u>	D\$	
F. Louvers/Vents/Grilliss				ļ
G. Sigory		,	\$2,500	
1. Ext. Signage	·	\$0		
2. Int. Signage	ALLOWANCE: Restroom & room identification signa	\$2,500		• 1
H. Fire Extinguishers:	(15) wall hing ABC citing if their @ \$12Des		51,800	
1. Awaings:				!
1. Operable Partitions:			\$00	,
K. 00km			20	
<u>.</u>				
DIVISION II: EQUIPMENT:				\$0
A. Piojection Screens			By Ténant	
B. Other.			50	
			<u>:l</u>	
DIVISION 12: FURNISHINGS:	•			\$9,325
A. Blinds:	ALLOWANCE: (45) windows @ 195/window	}	\$4,275	
B. Walk off Mats:	Flush mat in main vestibule		\$1,690	
C. Appliances:	ALLOWANCE (2) refrigerators, (2) microwaves, (1) nichwasher, (2) garbaga disposals	,	S3,456	
DIVISION 13: SPECIAL CONS	TRUCTION		<u></u>	
a pour de la poure coite			\$0	
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				April 23, 2008
	FROJECT:	Mantgomery County	Board of Elections	
			53 North Frederick Ayes	iue
•		Gaithersburg Maryla		<u> </u>
	EST, SCHEDULE:	18 weeks construction	s, plus 2 weeks for inspe	ctions and close-out
	TOTALSF: .	Approx. \$4,190 SF		
CLASSIFICATION/NOTES:				TOJAL:
DIVISION 15: MECHANICAL	^	 	. 	\$541,795
A. Fire Protection Systems:	Sprinkler for Office space, warehouse sprinkler by Lendlord	- • - • - • • • • • • • • • • • • • • •	\$109,895	
B. Flumbing	Smith Mechanical		\$69,800	j
!, Fixtures:	New fintures: (22 toilets, [19] lavalories, (1) break room sink; (1) mop sink, (4) EWC; (5) hot water heaters, [9] floor drains	\$44,600		
2. Natvial Gas	Natural gas to roof top HVAC equipment	\$25,200	1	
3. Air/Vacuum		\$0	1	ł
4. Öther		50		[
Č. Roof Draint:		<u> </u>	so	ļ
D. HVA.C.;			\$362,100	ŀ
1, Heat/Cool Equipment:	Approx. 150 tons conditioning	5337,500		į
2. Curbs	Spirot, 150 fine counting	inel.		ļ
3. Distribution		Incl.		
4 Controls		ind.		
5, Éxhaust Fans	(12) exhaustfans	. \$9,050		j
6. Ventilation	(13) Edward 1915	. 32,000		Ì
7. Specialized Systems		\$0		j
· B. Other	(24) paddie fans in Waishouse area	\$15,600		j
E. Otbar:			\$0	
DIVISION 16; ELECTRICAL				\$538,845
A. Primary Electric		•	5383,845	0330,043
1. Temp. Electric;	~	50	3300,0101	
1. Temps Directio.				
2 Canife that M D P	Allowant to immade existing electrical service	525 000		İ
2. Septice thru M.D.P	Allowance to upgrade existing electrical service (1) 1.200 and 120/208 V service with distribution	\$25,000		
2. Septiéé thru M.D.P. 3. Branch CT, Equip thru sub-panels	(1) 1,200 amp 120/208 V service with distribution	\$25,000 858,500		·
_	(1) 1,200 amp 120/208 V service with distribution phase panels			
3. Branch CT, Equip thru sub-panels	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide fixtures in Wafehouse, (80) hi-hat lights	E58,500		
Branch CT, Equip thru sub-panels Site Lighting Interior Lighting	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in fight fixtures in office, (45) high-bay	858,500 By Landlord		
3. Branch CT, Equip thru sub-penels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide fixtures in Wafehouse, (80) hi-hat lights (130) convenience réceptacles, (25) GFCl receptacles, (15) dedicated receptacles, (2) réfrigerator réceptacles, (60) awitches in office; and (10) awitches in warchouse 150 Jona of HVAC for office and warchouse, exhaust	\$58,500 By Landlord \$119,800 \$28,500	·	
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Waring	(1) 1,200 amp 120/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide finitives in Waterbuyes, (80) hi-had lights (130) comparisons receptacles, (25) GFCI receptacles, (15) dedicated receptacles, (2) refrigerator receptacles, (60) awitches in office, and (10) switches in warehouse	858,500 By Landlord \$119,800 \$28,500 \$127,235		
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide fixtures in Wafehouse, (80) hi-hat lights (130) convenience réceptacles, (25) GFCl receptacles, (15) dedicated receptacles, (2) réfrigerator réceptacles, (60) awitches in office; and (10) awitches in warchouse 150 Jona of HVAC for office and warchouse, exhaust	\$58,500 By Landlord \$119,800 \$28,500		
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring 9. Telephone/Compoter Conduit	(1) 1,200 amp 120/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide finalised in Watchouse, (80) hi-had lights (138) compenience réceptacles, (25) OFCI receptacles, (15) dedicated receptacles, (2) réfrigerator réceptacles, (60) awitches in office, and (10) switches in warchouse 150 tons of HVAC for office and warchouse; exhaust france water heaters, ventilator fans	\$58,500 By Landiord \$119,800 \$28,500 \$127,245 \$0		
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide fixtures in Wafehouse, (80) hi-hat lights (130) convenience réceptacles, (25) GFCl receptacles, (15) dedicated receptacles, (2) réfrigerator réceptacles, (60) awitches in office; and (10) awitches in warchouse 150 Jona of HVAC for office and warchouse, exhaust	858,500 By Landford \$119,800 \$28,500 \$127,245		
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring 9. Telephone/Compoter Conduit	(1) 1,200 amp 120/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (45) high-bay metal halide finalised in Watchouse, (80) hi-had lights (138) compenience réceptacles, (25) OFCI receptacles, (15) dedicated receptacles, (2) réfrigerator réceptacles, (60) awitches in office, and (10) switches in warchouse 150 tons of HVAC for office and warchouse; exhaust france water heaters, ventilator fans	\$58,500 By Landiord \$119,800 \$28,500 \$127,245 \$0	\$115,000	
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wring 8. Production Equip, Wiring 9. Telephone/Computer Conduit 10. Other:	(1) 1,200 amp 120/20% V service with distribution phase panels (475) 2 x 4 key-in light futures in office, (45) high-bay metal halide finities in Wafehouse, (80) hi-had lights (130) comyentence receptacles, (25) GFCI receptacles, (15) dedicated receptacles, (2) refrigerator receptacles, (60) awitches in office; and (10) switches in warehouse 150 loans of HVAC for office and warehouse; exhaust from water bestern, verificator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE: Exh and emergency lights, appinisher	\$58,500 By Landiord \$119,800 \$28,500 \$127,245 \$0	<u>5115,</u> 600 ⁰ 540,000	
3. Branch CT, Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Waring 8. Production Equip, Writing 9. Telephone/Computer Conduit 10. Other: B. Fire Alarm Systems:	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (15) high-bay metal halide finalities in Wafehouse, (20) his-hal lights (139) convenience receptacles, (25) GFCl receptacles, (15) dedicated receptacles, (2) refrigerator receptacles, (60) switches in office; and (10) switches in warehouse 150 loss of HVAC for office and warehouse; exhaust famp water heaters, wentilator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE Exit and emergency lights, sprinkler monitoring, dialet connected to central station	\$58,500 By Landiord \$119,800 \$28,500 \$127,245 \$0		\$2,096,60 0
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wring 8. Production Equip, Wiring 9. Telephone/Computer Conduit 10. Other: B. Fire Alarm Systems: C. Security Systems:	(1) 1,200 amp 1,20/20% V service with distribution phase panels (475) 2 x 4 lay-in light fixtures in office, (15) high-bay metal halide finalities in Wafehouse, (20) his-hal lights (139) convenience receptacles, (25) GFCl receptacles, (15) dedicated receptacles, (2) refrigerator receptacles, (60) switches in office; and (10) switches in warehouse 150 loss of HVAC for office and warehouse; exhaust famp water heaters, wentilator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE Exit and emergency lights, sprinkler monitoring, dialet connected to central station	\$58,500 By Landlord \$119,800 \$28,300 \$127,245 \$0 \$0		\$2,096,600 \$100,000
3. Branch CT, Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring 9. Telephone/Composter Condust 10. Other: B. Fire Alarm Systems: C. Security Systems:	(1) 1,200 amp 120/20% V service with distribution phase panels (275) 2 x 4 key-in light fixtures in office, (45) high-bay metal helide fixtures in Watehouse, (80) hi-had lights (180) comyetience receptacles; (25) GECI receptacles; (15) dedicated receptacles; (2) refrigeration receptacles; (60) switches in office; and (10) switches in warehouse 150 form of HVAC for office and warehouse; exhaust from water heaters; ventilator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE: Exh and emergency lights; sprinkler monitoring, dister coanceted to central station ALLOWANCE: May cards and perimeter security. FIXED FEE: Based on (20) weeks (8 \$5,000 per week	\$58,500 By Landlord \$119,800 \$28,300 \$127,245 \$0 \$0	\$40,000	
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip, Wiring 8. Production Equip, Wiring 9. Telephone/Composer Condust 10. Other: B. Fire Alarm Systems: C. Security Systems: SUBTOTAL: Construction Management Fee;	(1) 1,200 amp 120/20% V service with distribution phase panels (275) 2 x 4 key-in light fixtures in office, (45) high-bay metal helide fixtures in Watehouse, (80) hi-had lights (180) comyetience receptacles; (25) GECI receptacles; (15) dedicated receptacles; (2) refrigeration receptacles; (60) switches in office; and (10) switches in warehouse 150 form of HVAC for office and warehouse; exhaust from water heaters; ventilator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE: Exh and emergency lights; sprinkler monitoring, dister coanceted to central station ALLOWANCE: May cards and perimeter security. FIXED FEE: Based on (20) weeks (8 \$5,000 per week	\$58,500 By Landlord \$119,800 \$28,300 \$127,245 \$0 \$0	\$40,000	\$100,000
3. Branch CT. Equip thru sub-panels 4. Site Lighting 5. Interior Lighting 6. Power Wiring & Devices 7. HVAC Equip. Wring 8. Production Equip. Wring 9. Telephone/Computer Conduit 10. Other: B. Fire Alarm Systems: C. Security Systems: SUBTOTAL: Constitution Management Fee: PROJECT TOTAL:	(1) 1,200 amp 120/20% V service with distribution phase panels (275) 2 x 4 key-in light fixtures in office, (45) high-bay metal helide fixtures in Watehouse, (80) hi-had lights (180) comyetience receptacles; (25) GECI receptacles; (15) dedicated receptacles; (2) refrigeration receptacles; (60) switches in office; and (10) switches in warehouse 150 form of HVAC for office and warehouse; exhaust from water heaters; ventilator fans ALLOWANCE for Tenant specific electrical systems ALLOWANCE: Exh and emergency lights; sprinkler monitoring, dister coanceted to central station ALLOWANCE: May cards and perimeter security. FIXED FEE: Based on (20) weeks (8 \$5,000 per week	\$58,500 By Landlord \$119,800 \$28,300 \$127,245 \$0 \$0	\$40,000	\$100,000

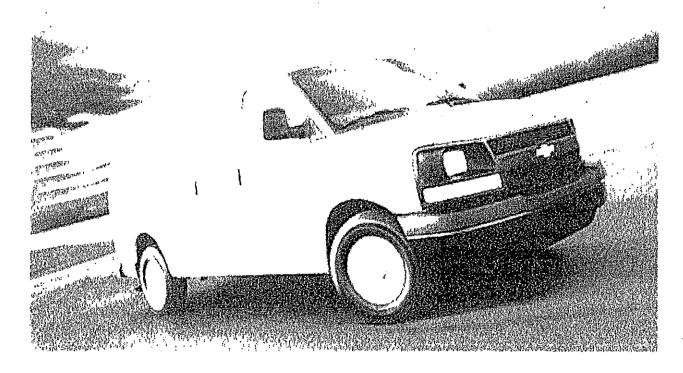
> RULES AND REGULATIONS:

Tenant shall, at all times during the term of this Lease:

- 1. Use, maintain and occupy the demised premises in a careful, safe, proper and lawful manner, keep the demised premises and its appurtenances in a clean and safe condition;
- 2. Keep all glass in the doors and windows of the demised premises clean and in good repair;
- 3. Not place, maintain or sell any merchandise in any vestibule or entry to the demised premises, on the sidewalks or enclosed area adjacent to the demised premises, or elsewhere on the outside of the demised premises without the prior written consent or Landlord;
- 4. Keep the demised premises and an area within 15 feet of the front of the demised premises in clean, orderly and sanitary condition, free of debris, insects, rodents, vermin and other pests;
- 5. Not permit undue accumulations of garbage, trash, rubbish and other refuse in the demised premises, and keep refuse in closed containers within the interior of the demised premises until removed;
- 6. Not use, permit or suffer the use of any apparatus or instruments for musical or other sound reproduction of transmission in such manner that the sound emanating therefrom or cause thereby shall be audible beyond the interior of the demised premises;
- 7. Light the exterior signs of the demised premises from dusk to 11:00 p.m. each evening;
- 8. Keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the confines of the demised premises;
- 9. Not cause or permit objectionable odors to emanate or be dispelled from the demise premises;
- 10. Not overload the floors and electrical wiring and not install any additional electrical wiring or plumbing without Landlord's prior written consent;
- 11. Not conduct, permit or suffer any public or private auction sale to be conducted on or from the demised premises.
- 12. Not solicit business in the common areas of the Center or distribute handbills or other advertising materials in the common areas, and if this provision is violated Tenant shall pay Landlord the costs of collecting same from the common areas for trash disposal.
- 13. Not place into any trash receptacle or dumpster that Landlord may provide any Hazardous Substances or any substance declared to be infectious under any applicable law or regulation.

Klinedinst Management, Inc. Seneca Center II, LLC Lease provisions for Board of Elections

Loading Bay Restrictions: Tenant shall not drive, park or permit any vehicle greater in weight than 8,600 pounds gross vehicle weight or in size larger than a single-axle box truck to enter upon or within the loading bays servicing the Demised Premises. Any vehicle greater in weight than 8,600 pounds gross vehicle weight or in size than a single-axle box truck, must perform any off-loading from the exterior driveway entrance to the loading bay servicing the Demised Premises unless Tenant has obtained Landlord's prior written consent. Tenant shall indemnify, defend and hold Landlord harmless from any injury, damage or loss of any kind resulting from or arising out of Tenant's failure to comply with the foregoing restrictions.



TENANT ESTOPPEL CERTIFICATE

To:	, its successors and/or assigns () , its successors and/or assigns ()
Re:	Property Address: ()Lease Date:_Between () and Montgomery County, Maryland (Tenant) Square Footage Leased:_Suite No./Floor: ()
•	Landlord has requested that Tenant provide Landlord with an estoppel certificate rmitted from time to time under the terms of the above-referenced lease (). In the terms of the above-referenced lease ().
(1)	The Lease, which includes the Lease and all amendments to the Lease attached as Exhibit AA@ , is a true, correct, and complete copy of the Lease, as amended; is in full force and effect; and has not been modified, supplemented, or amended in any way other than in writing attached as part of Exhibit A . The Lease as amended in Exhibit A represents the entire agreement between the Landlord and Tenant as to the Premises or any part of the Premises.
(2)	The Lease Term commenced on, and terminates on The Lease provides for renewal/extension option(s) of (months/years) each. Tenant has exercised renewal/extension options on the date that this Certificate is issued by Tenant.
(3)	The amount of fixed monthly rent is \$
(4)	Tenant paid no security deposit under the terms of the Lease. Tenant has paid rent for the Premises through, 200
(5)	Tenant currently occupies the Premises.
(6)	All work to be completed by Landlord for the Tenant prior to occupancy has been performed as required and has been accepted by the Tenant (if not, specify what punchlist or other items remain to be completed, and the amount budgeted for completion; and any payments, free rent, or other payments, credits, allowances or abatements required to be given by Landlord up to the date of issuance of this Certificate have been credited or paid to Tenant.
(7)	As of the date that this Certificate is issued by Tenant, Tenant has no knowledge of any default by Landlord other than those specified in Exhibit B , attached. As of the date that this Certificate is issued by Tenant, Tenant has no knowledge of any offset, defense, deduction or claim against Landlord other than those listed in Exhibit B , attached.
/ <u>8</u> \	Tanant is not in default under the Lesse

- (9) Tenant has not assigned the Lease or sublet all or any portion of the Premises, except as listed in <u>Exhibit C</u>, attached. Any sublease or assignment documents are attached as part of <u>Exhibit C</u>.
- (10) Any notices to be sent to Tenant should be sent in the form required in the Lease to:

Montgomery County, Maryland Department of General Services 101 Monroe Street, 3rd Floor Rockville, MD 20850 Attn: Director

With a copy that does not constitute notice to:

Office of the County Attorney 101 Monroe Street, 3rd Floor Rockville, MD 20850 Attn: County Attorney

TENANT: Montgomery County, Maryland

By: Diane Schwartz Jones
Assistant Chief Administrative Officer

SUBORDINATION, ATTORNMENT AND NON-DISTURBANCE AGREEMENT

MONTGOMERY COUNTY

("Agreement") is entered into as of the ("Effective Date") by and between
("Agreement") is entered into as of the ("Effective Date") by and between (the "Mortgagee") and MONTGOMERY COUNTY MARYLAND (hereinafter, collectively the "Tenant"), with reference to the following facts:
, whose address is
attached hereto (the "Property").
Mortgagee intends to make a loan to Landlord in the original principal amount of
To secure the Loan, Landlord intends to encumber all the Property by entering into that certain Mortgage to be dated in favor of Mortgagee (as amended, increased, renewed, extended, spread, consolidated, severed, restated, or otherwise changed from time to time, the "Mortgage") to be recorded in the Land Records in and for the Montgomery County, State of Maryland.
Pursuant to the Lease effective (the "Lease"), Landlord demised to Tenant a portion of the Property consisting of the following (the "Leased Premises"):
Tenant and Mortgagee desire to agree upon the relative priorities of their interests in the Property and their rights and obligations if certain events occur.
NOW, THEREFORE, for good and sufficient consideration, Tenant and Mortgagee agree:
<u>Definitions</u> . The following terms shall have the following meanings for purposes of this Agreement.
(a) <u>Foreclosure Event</u> . A " <u>Foreclosure Event</u> " means: (i) foreclosure under the Mortgage; (ii) any other exercise by Mortgagee of rights and remedies (whether under the Mortgage or under applicable law, including bankruptcy law) as holder of the Loan and/or the Mortgage, as a result of which a Successor Landlord becomes owner of the Property; or (iii) delivery by Landlord to Mortgagee (or its designee or nominee) of a deed or other conveyance of Landlord's interest in the Property in lieu of any of the foregoing.
(b) Former Landlord. A "Former Landlord" means Landlord and any other party that was landlord under the Lease at any time before the occurrence of any attornment under this Agreement.
(c) Offset Right. An "Offset Right" means any right or alleged right of Tenant to any offset, defense (other than one arising from actual payment and performance, which payment and performance would bind a Successor Landlord pursuant to this Agreement), claim, counterclaim, reduction, deduction or abatement against Tenant's payment of Rent or performance of Tenant's other obligations under the Lease, arising (whether under the Lease or under applicable law) from Landlord's breach or default under

Rent. The "Rent" means any fixed rent, base rent or additional rent under the Lease.

the Lease.

(d)

- (e) <u>Successor Landlord</u>. A "<u>Successor Landlord</u>" means any party that becomes owner of the Property as the result of a Foreclosure Event.
- (f) <u>Other Capitalized Terms</u>. If the initial letter of any other term used in this Agreement is capitalized and no separate definition is contained in this Agreement, then such term shall have the same respective definition as set forth in the Lease.

<u>Subordination</u>. The Lease shall be, and shall at all times remain, subject and subordinate to the terms of the Mortgage, the lien imposed by the Mortgage, and all advances made under the Mortgage.

Nondisturbance, Recognition and Attornment.

- (a) <u>No Exercise of Mortgage Remedies Against Tenant</u>. So long as the Tenant is not in default under the Lease beyond any applicable grace or cure periods (an "Event of Default"), Mortgagee shall not name or join Tenant as a defendant in any exercise of Mortgagee's rights and remedies arising upon a default under the Mortgage unless applicable law requires Tenant to be made a party thereto as a condition to proceeding against Landlord or prosecuting such rights and remedies. In the latter case, Mortgagee may join Tenant as a defendant in such action only for such purpose and not to terminate the Lease or otherwise adversely affect Tenant's rights under the Lease or this Agreement in such action.
- (b) Nondistubance and Attornment. If an Event of Default by Tenant is not then continuing, then, when Successor Landlord takes title to the Property: (i) Successor Landlord shall not terminate or disturb Tenant's possession of the Leased Premises under the Lease, except in accordance with the terms of the Lease and this Agreement; (ii) Successor Landlord shall be bound to Tenant under all the terms and conditions of the Lease (except as provided in this Agreement); (iii) Tenant shall recognize and attorn to Successor Landlord as Tenant's direct landlord under the Lease as affected by this Agreement; and (iv) the Lease shall continue in full force and effect as a direct lease, in accordance with its terms (except as provided in this Agreement), between Successor Landlord and Tenant. Tenant acknowledges notice of the Mortgage and assignment of rents, leases and profits from the Landlord to the Mortgagee. Tenant agrees to continue making payments of rents and other amounts owed by Tenant under the Lease to the Landlord and to otherwise recognize the rights of Landlord under the Lease until notified otherwise in writing by the Mortgagee (as provided in the Mortgage), and after receipt of such notice the Tenant agrees thereafter to make all such payments to the Mortgagee, without any further inquiry on the part of the Tenant, and Landlord consents to the foregoing.
- (c) <u>Further Documentation</u>. The provisions of this <u>Article 3</u> shall be effective and self-operative without any need for Successor Landlord or Tenant to execute any further documents. Tenant and Successor Landlord shall, however, confirm the provisions of this <u>Article 3</u> in writing upon request by either of them within thirty (30) days of such request.

<u>Protection of Successor Landlord</u>. Notwithstanding anything to the contrary in the Lease or the Mortgage, Successor Landlord shall not be liable for or bound by any of the following matters:

- (a) <u>Claims Against Former Landlord</u>. Any Offset Right that Tenant may have against any Former Landlord relating to any event or occurrence before the date of the attornment, including any claim for damages of any kind whatsoever as the result of any breach by Former Landlord that occurred before the date of attornment.
- (b) <u>Prepayments</u>. Any payment of Rent that Tenant may have made to Former Landlord more than thirty (30) days before the date such rent was first due and payable under the Lease with

respect to any period after the date of attornment other than, and only to the extent that, the Lease expressly required such a prepayment.

- (c) <u>Payment: Security Deposit</u>. Any obligation: (i) to pay Tenant any sum(s) that any Former Landlord owed to Tenant unless such sums, if any, shall have been delivered to Mortgagee by way of an assumption of escrow accounts or otherwise; (ii) with respect to any security deposited with Former Landlord, unless such security was actually delivered to Mortgagee; (iii) to commence or complete any initial construction of improvement in the Leased Premises or any expansion or rehabilitation of existing improvements thereon; (iv) to reconstruct or repair improvements following a fire, casualty or condemnation; or (v) to perform day-to-day maintenance and repairs.
- (d) <u>Modification Amendment or Waiver</u>. Any modification or amendment of the Lease, or any waiver of the terms of the Lease, made without Mortgagee's written consent.
- (e) <u>Surrender, Etc.</u> Any consensual or negotiated surrender, cancellation, or termination of the Lease, in whole or in part, agreed upon between Landlord and Tenant, unless effected unilaterally by Tenant pursuant in the express terms of the Lease.

Exculpation of Successor Landlord. Notwithstanding anything to the contrary in this Agreement, or the Lease, upon any attornment pursuant to this Agreement, the Lease shall be deemed to have been automatically amended to provide that Successor's Landlord's obligations and liability under the Lease shall never extend beyond Successor Landlord's (or its successors' or assigns') interest, if any, in the Leased Premises from time to time, including insurance and condemnation proceeds, security deposits, escrows, Successor Landlord's interest in the Lease, and the proceeds from any sale, lease or other disposition of the Property (or any portion thereof) by Successor Landlord (collectively, the "Successor Landlord's Interest'). Tenant shall look exclusively to Successor Landlord's Interest (or that of its successors and assigns) for payment or discharge of any obligation of Successor Landlord affected by this Agreement. If Tenant obtains any money judgment against Successor Landlord with respect to the Lease or the relationship between Successor Landlord and Tenant, then Tenant shall look solely to Successor Landlord's Interest (or that of its successors and assigns) to collect such judgment. Tenant shall not collect or attempt to collect any such judgment out of any other assets of Successor Landlord.

Notice to Mortgagee and Right to Cure. Tenant shall notify Mortgagee of any default by Landlord under the Lease and agrees that, notwithstanding any provisions of the Lease to the contrary, no notice of cancellation thereof or of an abatement shall be effective unless Mortgagee shall have received notice of default giving rise to such cancellation or abatement and (i) in the case of any such default that can be cured by the payment of money, until thirty (30) days shall have elapsed following the giving of such notice or (ii) in the case of any other such default, until a reasonable period for remedying such default shall have elapsed following the giving of such notice and following the time when Mortgagee shall have become entitled under the Mortgage to remedy the same, including such time as may be necessary to acquire possession of the Property if possession is necessary to effect such cure, provided Mortgagee, with reasonable diligence, shall (a) pursue such remedies as are available to it under the Mortgage so as to be able to remedy the default, and (b) thereafter shall have commenced and continued to remedy such default or cause the same to be remedied, but in no event shall such period of time exceed one hundred and twenty (120) days. Notwithstanding the foregoing, Mortgagee shall have no obligation to cure any such default.

Miscellaneous.

(a) Notices. Any notice or request given or demand made under this Agreement by one party to the other shall be in writing and may be given or be served by hand delivered personal service, or by depositing the same with a reliable overnight courier service or by deposit in the Unites States mail, postpaid, registered or certified mail, and addressed to the party to be notified, with return receipt requested. Notice deposited in the mail in the manner hereinabove described shall be effective from and after the expiration of three (3) days after it is so deposited; however, delivery by overnight courier service shall be deemed effective on the next succeeding business day after it is so deposited and notice by personal service shall be deemed effective when delivered to its addresses. For purposes of notice, the addresses of the parties shall, until changed as herein provided, be as follows:

If to Mortgagee, at: _	
•	•
	4-2-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-

If to Tenant, at Montgomery County, Maryland

Department of General Services Tenth Floor 10 1 Monroe Street, 10th Floor Rockville, Maryland 20850 Attn: Director of Real Estate

With Copy Not To Constitute Notice To:

Montgomery County, Maryland Office of the County Attorney 101 Monroe Street, 3rd Floor Rockville, Maryland 20850

- (b) <u>Entire Agreement</u>. This Agreement constitutes the entire agreement between Mortgagee and tenant regarding the subordination of the Lease to the Mortgage and the rights and obligations of tenant and Mortgagee as subject matter of this Agreement.
- (c) <u>Interaction with Lease and with Mortgage</u>. If this Agreement conflicts with the Lease, then this Agreement shall be govern as between the parties and any Successor Landlord, including upon any attornment pursuant to this Agreement. This Agreement supersedes, and constitutes full compliance with, any provisions in this Lease that provide for subordination of the Lease to, or for delivery of nondisturbance agreements by the holder of, the Mortgage.
- (d) <u>Mortgagee's Rights and Obligations</u>. Except as expressly provided for in this Agreement, Mortgagee shall have no obligations to Tenant with respect to the Lease. If an attornment occurs pursuant to this Agreement, then all rights and obligations of Mortgagee under this Agreement shall terminate, without thereby affecting in any way the rights and obligations of Successor Landlord provide for in this Agreement.

- (e) <u>Interpretation: Governing Law</u>. The interpretation, validity and enforcement of this Agreement shall be governed by and construed under the internal laws of the State in which the leased Premises are located, excluding such States principles of conflict of laws.
- (f) <u>Amendments</u>. This Agreement may be amended, discharged or terminated, or any of its provisions, waived only by written instrument executed by the party to be charged.
- (g) <u>Due Authorization</u>. Tenant represents to Mortgagee that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions. Mortgagee represents to Tenant that it has full authority to enter into this Agreement, which has been duly authorized by all necessary actions.

In WITNESS WHEREOF, the Mortgagee and Tenant have caused this Agreement to be executed as of the date first above written.

ATTEST:	MORTGAGEE	
Name:Title:	By:Name:Title:	
ATTEST:	TENANT: MONTGOMERY COUNTY, MARYLAND	
Ву:	By:	
APPROVED AS TO FORM & LEGALITY OFFICE OF THE COUNTY ATTORNEY	RECOMMENDED:	
Ву:	By:	
Date:	Date:	